

ALLEN F. MAULSBY
STEWART R. BROSS, JR.
HENRY P. RIORDAN
JOHN R. HUPPER
SAMUEL C. BUTLER
WILLIAM J. SCHRECK, JR.
BENJAMIN F. CRANE
JOHN F. HUNT
GEORGE J. GILLESPIE, III
WAYNE E. CHAPMAN
THOMAS D. BARR
MELVIN L. BEDRICK
GEORGE T. LOWY
ROBERT ROSENMAN
JAMES H. DUFFY
ALAN J. HRUSKA
JOHN E. YOUNG
JAMES M. EDWARDS
J. G. ORMSBY
J. L. SCHWARTZ
ARD J. HIEGEL
ISTINE BESHAR
ERT S. RIFKIND
ID BOIES
ID O. BROWNWOOD
UL M. DODY
CHARM M. ALLEN
OMAS R. BROME
OBERT D. JOFFE

ALBERT F. MULLEN
 ROSEAN FINKELSON
 RONALD S. ROLFE
 JOSEPH R. SAHIO
 PAUL C. SAUNDERS
 MARVIN J. REVELL
 DOUGLAS D. BROADWATER
 ALAN C. STEPHENSON
 RICHARD L. MCKAY
 JOSEPH A. MULLINS
 MAX R. SHULMAN
 STUART W. GOLD
 JOHN W. WHITE
 JOHN E. BEERGOWER
 EVAN R. CHESLER
 PATRICIA GEOGHEGAN
 D. COLLIER KIRKHAM
 MICHAEL L. SCHLER
 DANIEL P. CUNNINGHAM
 KRIS F. HEINZELMAN
 R. ROBBINS KIESER
 ROGER B. JAWORSKI
 PHILIP A. GELSTON
 RORY O. MILLSON
 NEIL P. WESTREICH
 FRANCIS P. BARRON
 RICHARD W. CLARY
 WILLIAM P. ROBERTS
 JAMES D. COOPER

CHASE MANHATTAN PL
NEW YORK, N. Y. 10005

512012 CHASE MANHATTAN PLAZA RECORDATION NO. 512012

TELEPHONE
212 422-3000

RCA 233663
WUD 125547
WUI 620976
TRT 177149

CABLE ADDRESSES
CRAVATH, N. Y.
CRAVATH, LONDON E. C. 2
2 President
27 HONORABLE, CHEAPSIDE
LONDON EC2V 8BT, ENGLAND
TELEPHONE: 1-606-1421
TELEX: 8814901
FAX/FAX/INFOTEC:
1-606-1425

1 5120
RECORDATION NO. _____ Filed & Recorded
Bu

DEC 15 1986 4:45 PM

INTERSTATE COMMERCE COMMISSION

Burlington Northern Railroad Company
Electrical Power Purchase Financing
9-3/8% Conditional Sale Indebtedness
Due December 31, 2000

Dear Ms. McGee:

Pursuant to 49 U.S.C. § 11303 and the Commission's rules and regulations thereunder, as amended, I enclose herewith on behalf of Oakway, Inc., for filing and recordation counterparts of the following documents:

1. (a) Conditional Sale Agreement No. 2 dated as of November 15, 1986, between The Connecticut National Bank, as Trustee, and General Motors Corporation (Electro-Motive Division), as Builder; and

(b) Agreement and Assignment No. 2 dated as of November 15, 1986, between General Motors Corporation (Electro-Motive Division), as Builder, and The Connecticut Bank and Trust Company, National Association, as Agent.

2. (a) Lease of Railroad Equipment No. 2 dated as of November 15, 1986, between Oakway, Inc., as Lessee, and The Connecticut National Bank, as Trustee; and

(b) Assignment of Lease and Agreement No. 2 dated as of November 15, 1986, between The Connecticut National Bank, as Trustee, and The Connecticut Bank and Trust Company, National Association, as Agent.

- D on next page
- E on next page

-D
3. Bailment Agreement No. 2 dated as of November 15, 1986, between Oakway, Inc., as Bailor, and Burlington Northern Railroad Company, as Bailee.

-E
4. Assignment of Power Purchase Agreement No. 2 dated as of November 15, 1986, among Oakway, Inc., as Oakway, The Connecticut Bank and Trust Company, National Association, as Agent, and The Connecticut National Bank, as Trustee.

The names and address of the parties to the aforementioned agreements are as follows:

1. Agent:

The Connecticut Bank and Trust Company,
National Association
One Constitution Plaza
Hartford, Connecticut 06115

2. Trustee-Lessor:

The Connecticut National Bank
777 Main Street
Hartford, Connecticut 06115

3. Builder-Vendor:

General Motors Corporation
(Electro-Motive Division)
LaGrange, Illinois 60525

4. Lessee-Bailor-Oakway:

Oakway, Inc.
45 Cardinal Drive
Westfield, New Jersey 07092

5. Bailee:

Burlington Northern Railroad Company
9401 Indian Creek Parkway
Overland Park, Kansas 66210-9136

Please file and record the documents referred to in this letter and index them under the names of the Agent, the Trustee-Lessor, the Builder-Vendor, the Lessee-Bailor-Oakway and the Bailee.

The equipment covered by the aforementioned documents is listed on Exhibit A attached hereto. The equipment bears the legend "Leased to Oakway, Inc. Subject to a Security Agreement Filed with The Interstate Commerce Commission".

There is also enclosed a check for \$40 payable to the Interstate Commerce Commission, representing the fee for recording the Conditional Sale Agreement No. 2 and related Agreement and Assignment No. 2 (together constituting one document), the Lease of Railroad Equipment No. 2 and related Assignment of Lease and Agreement No. 2 (together constituting one document), the Bailment Agreement No. 2 and the Assignment of Power Purchase Agreement No. 2.

Please stamp all counterparts of the enclosed documents with your official recording stamp. You will wish to retain one copy of the instruments for your files. It is requested that the remaining counterparts be delivered to the bearer of this letter.

Very truly yours,

Laurance V. Goodrich / cws

Laurance V. Goodrich

Noreta R. McGee, Secretary,
Interstate Commerce Commission,
Washington D.C. 20423

Encls.

ANNEX B
TO
CONDITIONAL SALE AGREEMENT

Type	Builder	Builder's Specifi- cations	Builder's Plant	Quantity	Lessee's Road Numbers (Both Inclusive)	Estimated* Unit Base Price	Estimated* Total Base Price	Estimated Time and Place of Delivery
3,800 h.p. Model SD-60 diesel- electric locomotive	EMD	GM Loco- motive Specifica- tion 8128, Amendment 8128-3 as supplemen- ted by Final Specifica- tion Supplement dated 10/15/86	La Grange, Illinois	50	OWY 9000-9099**	\$1,282,977.16	\$64,148,858	October 1986, through January 1987, at Clyde, Illinois
For deliveries on or before 12/31/86								
For deliveries after 12/31/86								
						\$1,170,749.14	\$58,537,457	

* Includes prepaid freight and switching charges to Clyde, Illinois, estimated at \$250 per Unit.

** Units delivered and accepted hereunder will bear road numbers within the range indicated. When all deliveries have been completed the table will be amended to show the specific road number of each unit so delivered and accepted.

Interstate Commerce Commission
Washington, D.C. 20423

OFFICE OF THE SECRETARY

12/15/86

Laurance V. Goodrich
Cravath, Swaine & Moore
One Chase Manhattan Plaza
New York, N.Y. 10005

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 12/12/86 at 4:15pm, and assigned re-recording number(s). 15120, 15120-A, 15120-B, 15120-C, 15120-D, 15120-E

Sincerely yours,

Norita R. McGee
Secretary

Enclosure(s)

SE-30
(7/79)

RECORDATION No. 1 5120

DEC 12 1986 4:12 PM

[CS&M Ref. 2046-334]

INTERSTATE COMMERCE COMMISSION

ASSIGNMENT OF LEASE AND AGREEMENT NO. 2 dated as of November 15, 1986 ("Assignment"), by and between THE CONNECTICUT NATIONAL BANK, acting not in its individual capacity but solely in its capacity as Trustee ("Lessor") under a Trust Agreement No. 2 ("Trust Agreement") dated as of the date hereof with CHEMICAL BANK, a New York banking corporation ("Owner"), and THE CONNECTICUT BANK AND TRUST COMPANY, NATIONAL ASSOCIATION, as Agent ("Vendor") under a Participation Agreement No. 2 dated as of the date hereof.

WHEREAS the Lessor is entering into a Conditional Sale Agreement No. 2 dated as of the date hereof ("CSA") with General Motors Corporation (Electro-Motive Division) ("Builder"), providing for the sale to the Lessor of such units of railroad equipment ("Units") described in Annex B thereto as are delivered to and accepted by the Lessor thereunder;

WHEREAS the Lessor and Oakway, Inc. ("Lessee") have entered into a Lease of Railroad Equipment No. 2 dated as of the date hereof ("Lease") providing for the leasing by the Lessor to the Lessee of the Units;

WHEREAS the Builder has assigned to the Vendor its rights in, to and under the CSA pursuant to an Assignment and Agreement No. 2 dated as of the date hereof; and

WHEREAS in order to provide security to the Vendor for the obligations of the Lessor under the CSA and as an inducement to the Vendor to invest in the CSA Indebtedness (as defined in paragraph 4.3(b) of the CSA), the Lessor agrees to assign for security purposes its rights in, to and under the Lease to the Vendor;

NOW, THEREFORE, in consideration of the premises and of the payments to be made and the covenants hereinafter mentioned to be kept and performed, the parties hereto agree as follows:

1. The Lessor hereby assigns, transfers and sets over unto the Vendor, as collateral security for the payment and performance of the obligations of the Lessor under the CSA, all the Lessor's right, title and interest, powers,

privileges and other benefits under the Lease (including those inuring to the benefit of the Owner), including, without limitation, the immediate right to receive and collect all rentals, profits and other sums payable to or receivable by the Lessor from the Lessee under or pursuant to the provisions of the Lease whether as rent, casualty payment, indemnity, liquidated damages, or otherwise (such moneys, other than the Excluded Indemnity defined below, being hereinafter called "Payments"), and the right to make all waivers and agreements, to give all notices, consents and releases, to take all action upon the happening of an Event of Default specified in the Lease, and to do any and all other things whatsoever which the Lessor is or may become entitled to do under the Lease; provided, however, that, notwithstanding the foregoing, the Lessor and the Owner shall be entitled to receive directly any indemnification or insurance proceeds provided for the Lessor and the Owner under §§ 6, 7.6(1)(ii) and 12 of the Lease, which indemnification and insurance proceeds are excluded from this Assignment ("Excluded Indemnity") provided that the Vendor and the Investors are not barred from receiving comparable indemnification and insurance proceeds to which they may be entitled under the Lease. In furtherance of the foregoing assignment, the Lessor hereby irrevocably authorizes and empowers the Vendor in its own name, or in the name of its nominee, or in the name of the Lessor or as its attorney, to ask, demand, sue for, collect and receive any and all Payments to which the Lessor is or may become entitled under the Lease and to enforce compliance by the Lessee with all the terms and provisions thereof.

The Vendor agrees to accept any Payments made by the Lessee for the account of the Lessor pursuant to the Lease. To the extent received, the Vendor will apply such Payments to satisfy the obligations of the Lessor under the CSA, and, so long as no event of default or event which with the lapse of time and/or demand provided for in the CSA could constitute an event of default thereunder, shall have occurred and be continuing, any balance shall be paid to the Owner on the same date such Payment is applied to satisfy such obligations of the Lessor by bank wire to the Owner at such address as may be specified to the Vendor in writing, and such balance shall be retained by the Owner. If the Vendor shall not receive any rental payment under § 3 of the Lease or Casualty Value payment under § 7.1 of the Lease when due, the Vendor shall notify the Lessor and the Owner by telephone, confirmed in writing, at its address set forth in the Lease; provided, however, that the failure of the Vendor so to notify the Lessor and the Owner shall not

affect the obligations of the Lessor hereunder or under the CSA, except that the Vendor may not make a Declaration of Default (as defined in paragraph 16.1 of the CSA) based solely on an event of default under subparagraph (a) of said paragraph 16.1 arising solely by reason of the failure of the Lessee to make any such rental or Casualty Value payment which would not constitute an event of default under subparagraph (f) of said Paragraph 16.1 if the Lessor complies with the provisions thereof, unless such event of default is not remedied within five days after notification is given as aforesaid.

2. This Assignment is executed only as security and, therefore, the execution and delivery of this Assignment shall not subject the Vendor to, or transfer, or pass, or in any way affect or modify the liability of the Lessor under the Lease, it being agreed that notwithstanding this Assignment or any subsequent assignment, all obligations of the Lessor to the Lessee shall be and remain enforceable by the Lessee, its successors and assigns, against, and only against, the Lessor or persons other than the Vendor.

3. The Lessor will faithfully abide by, perform and discharge each and every obligation, covenant and agreement which the Lease provides are to be performed by the Lessor; without the written consent of the Vendor, the Lessor will not anticipate the rents under the Lease or waive, excuse, condone, forgive or in any manner release or discharge the Lessee thereunder of or from the obligations, covenants, conditions and agreements to be performed by the Lessee, including, without limitation, the obligation to pay the rents in the manner and at the time and place specified therein or enter into any agreement amending, modifying or terminating the Lease and the Lessor agrees that any amendment, modification or termination thereof without such consent shall be void.

4. The Lessor does hereby constitute the Vendor the Lessor's true and lawful attorney, irrevocably, with full power (in the name of the Lessor, or otherwise), to ask, require, demand, receive, compound and give acquittance for any and all Payments due and to become due under or arising out of the Lease to which the Lessor is or may become entitled, to enforce compliance by the Lessee with all the terms and provisions of the Lease, to endorse any checks or other instruments or orders in connection therewith and to file any claim or take any action or institute any proceedings which to the Vendor may seem to be necessary or advisable in the premises.

5. Upon the full discharge and satisfaction of all sums and other obligations due from the Lessor under the CSA, this Assignment and all rights herein assigned to the Vendor shall terminate, and all estate, right, title and interest of the Vendor in and to the Lease shall revert to the Lessor. Promptly following such full discharge and satisfaction, the Vendor agrees that it will advise the Lessee in writing that all sums and other obligations due from the Lessor under the CSA have been fully discharged and satisfied and instruct the Lessee that no further payments under the Lease are to be made to the Vendor.

6. The Lessor will, from time to time, execute, acknowledge and deliver any and all further instruments reasonably requested by the Vendor in order to confirm or further assure, the interest of the Vendor hereunder.

7. The Vendor may assign all or any of the rights assigned to it hereby or arising under the Lease, including, without limitation, the right to receive any Payments due or to become due. In the event of any such assignment, any such subsequent assignee or assignees shall, to the extent of such assignment, enjoy all the rights and privileges and be subject to all the obligations of the Vendor hereunder.

8. This Assignment shall be governed by the laws of the State of New York, but the parties shall be entitled to all rights conferred by 49 U.S.C. § 11303 and Section 86 of the Railway Act of Canada, such additional rights, if any, arising out of the filing, recording or deposit hereof as shall be conferred by the laws of the several jurisdictions in which this Agreement shall be filed, recorded or deposited or in which any unit of Equipment shall be located, and such rights, if any, arising out of the marking of Equipment.

9. The Lessor shall cause copies of all notices received in connection with the Lease and all payments hereunder to be promptly delivered or made to the Vendor.

10. The Vendor hereby agrees with the Lessor that the Vendor will not, so long as no event of default under the CSA has occurred and is continuing, exercise or enforce, or seek to exercise or enforce, or avail itself of, any of the rights, powers, privileges, authorizations or benefits which are assigned and transferred by the Lessor to the Vendor by this Assignment, except the right to receive and apply the Payments as provided in paragraph 1 hereof, and that, subject to the terms of the Lease and the CSA, the

Lessor may, so long as no event of default under the CSA has occurred and is then continuing, exercise or enforce, or seek to exercise or enforce, its rights, powers, privileges, and remedies arising out of § 13.1(a) of the Lease; provided, however, that the Lessor may, whether or not an event of default under the CSA has occurred and is then continuing, exercise or enforce, or seek to exercise and enforce, its rights, powers, privileges and remedies arising out of § 13.1(a) of the Lease in respect of the Excluded Indemnity; provided further, however, that the Lessor shall not, without the prior written consent of the Vendor, terminate the Lease or otherwise exercise or enforce, or seek to exercise or enforce any rights, powers, privileges and remedies arising out of § 13.1(b) of the Lease or take any action which would cause any termination of the Lease.

11. Anything herein to the contrary notwithstanding, each and all of the representations and agreements in this Assignment made on the part of the financial institution acting as Lessor are each and every one of them made and intended not as personal representations and agreements by said financial institution in its individual capacity, or for the purpose or with the intention of binding said financial institution personally but are made and intended for the purpose of binding only the Trust Estate as such term is used in the Trust Agreement, and this Agreement is executed and delivered by said financial institution solely in the exercise of the powers expressly conferred upon it as trustee under the Trust Agreement; and no personal liability or personal responsibility is assumed by or shall at any time be asserted or enforceable against said financial institution, on account of any representation or agreement hereunder of the Lessor, either expressed or implied, all such personal liability, if any, being expressly waived and released by the Vendor and by all persons claiming by, through or under the Vendor; provided, however, that the Vendor or any person claiming by, through or under the Vendor, making claim hereunder, may look to said Trust Estate for the satisfaction of the same.

This Assignment shall be effective upon delivery of fully executed counterparts hereof to Cravath, Swaine & Moore, at their offices in New York, New York.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed in their respective corporate names by officers thereunto duly authorized and their respective corporate seals to be affixed and duly attested, all as of the date first above written.


THE CONNECTICUT NATIONAL BANK,
as Trustee as aforesaid,

by


Authorized Officer

[Seal]

Attest:


Authorized Officer

THE CONNECTICUT BANK AND TRUST
COMPANY, NATIONAL ASSOCIATION,
as Agent,

by

Authorized Officer

[Corporate Seal]

Attest:

Authorized Officer

This Assignment shall be effective upon delivery of fully executed counterparts hereof to Cravath, Swaine & Moore, at their offices in New York, New York.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed in their respective corporate names by officers thereunto duly authorized and their respective corporate seals to be affixed and duly attested, all as of the date first above written.

THE CONNECTICUT NATIONAL BANK,
as Trustee as aforesaid,

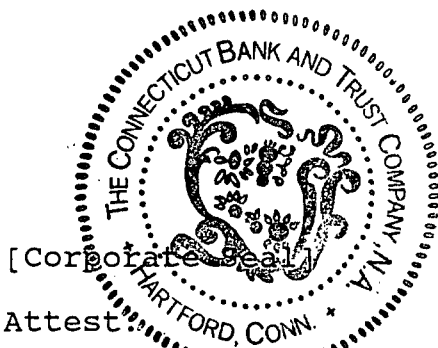
by

Authorized Officer

[Seal]

Attest:

Authorized Officer



Attest:

Authorized Officer

THE CONNECTICUT BANK AND TRUST
COMPANY, NATIONAL ASSOCIATION,
as Agent,

by

Authorized Officer

STATE OF CONNECTICUT,)
) ss.:
COUNTY OF HARTFORD,)

On this 8th day of December 1986, before me personally appeared LAURA CROWLEY to me personally known, who, being by me duly sworn, says that she is an Authorized Officer of THE CONNECTICUT NATIONAL BANK, that one of the seals affixed to the foregoing instrument is the seal of said national association and that said instrument was signed and sealed on behalf of said national association by authority of its Board of Directors and she acknowledged that the execution of the foregoing instrument was the free act and deed of said national association.

Susan C. Chadbourne
Notary Public

[Notarial Seal]

My Commission expires SUSAN C. CHADBOURNE
NOTARY PUBLIC
MY COMMISSION EXPIRES MARCH 31, 1990

STATE OF CONNECTICUT,)
) ss.:
COUNTY OF HARTFORD,)

On this day of December 1986, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is an Authorized Officer of THE CONNECTICUT BANK AND TRUST COMPANY, NATIONAL ASSOCIATION, that one of the seals affixed to the foregoing instrument is the corporate seal of said national association and that said instrument was signed and sealed on behalf of said national association by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said national association.

Notary Public

[Notarial Seal]

My Commission expires

STATE OF CONNECTICUT,)
) ss.:
COUNTY OF HARTFORD,)

On this day of December 1986, before me personally appeared to me personally known, who, being by me duly sworn, says that he is an Authorized Officer of THE CONNECTICUT NATIONAL BANK, that one of the seals affixed to the foregoing instrument is the seal of said national association and that said instrument was signed and sealed on behalf of said national association by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said national association.

Notary Public

[Notarial Seal]

My Commission expires

STATE OF CONNECTICUT,)
) ss.:
COUNTY OF HARTFORD,)

On this day of December 1986, before me personally appeared MASON M. LEMON, to me personally known, who, being by me duly sworn, says that he is an Authorized Officer of THE CONNECTICUT BANK AND TRUST COMPANY, NATIONAL ASSOCIATION, that one of the seals affixed to the foregoing instrument is the corporate seal of said national association and that said instrument was signed and sealed on behalf of said national association by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said national association.


Notary Public

[Notarial Seal]

ROSEMARY BARRY
NOTARY PUBLIC
MY COMMISSION EXPIRES MARCH 31, 1991

My Commission expires

Consent and Agreement No. 2

The undersigned, the lessee ("Lessee") named in the Lease ("Lease") referred to in the foregoing Assignment of Lease and Agreement No. 2 ("Lease Assignment"), hereby (a) acknowledges receipt of a copy of the Lease Assignment and (b) consents to all the terms and conditions of the Lease Assignment and agrees that so long as the Lease Assignment is effective:

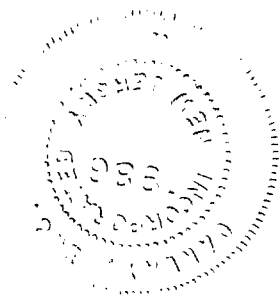
(1) it will pay all Payments (as defined in Section 1 of the Lease Assignment) and other moneys provided for in the Lease due and to become due under the Lease directly to The Connecticut Bank and Trust Company, National Association, as Agent ("Vendor"), the assignee named in the Lease Assignment, by bank wire transfer of immediately available funds to The Connecticut Bank and Trust Company, National Association, Hartford, Connecticut, for credit to its Corporate Trust Department's Account No. 000-089-2 with advice that the funds are "RE: OAK No. 2": (or at such other address as may be furnished in writing to the Lessee by the Vendor);

(2) the Vendor shall be entitled to the benefits of, and to receive and enforce performance of, all the covenants to be performed by the Lessee under the Lease as though the Vendor were named therein as the Lessor and that the Lessee will not assert against the Vendor any claim or defense the Lessee may have against the Lessor under the Lease;

(3) the Vendor shall not, by virtue of the Lease Assignment, be or become subject to any liability or obligation under the Lease or otherwise; and

(4) the Lease shall not, without the prior written consent of the Vendor, be terminated or modified, nor shall any action be taken or omitted by the Lessee the taking or omission of which might result in an alteration or impairment of the Lease or the Lease Assignment or this Consent and Agreement or of any of the rights created by any thereof.

This Consent and Agreement, when accepted by the Vendor by signing the acceptance at the foot hereof, shall be deemed to be a contract under the laws of the State of New York and, for all purposes, shall be construed in accordance with the laws of said state.



OAKWAY, INC.,

by

EV, President

[Corporate Seal]

Attest:

Attest:


Secretary

The foregoing Consent and Agreement No. 2 is hereby accepted, as of the 15th day of November 1986.

THE CONNECTICUT BANK AND TRUST
COMPANY, NATIONAL ASSOCIATION, as
Agent,

by

Authorized Officer

OAKWAY, INC.,

by

President

[Corporate Seal]

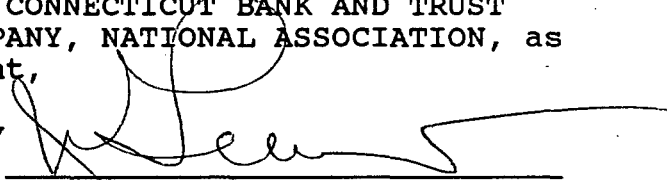
Attest:

Secretary

The foregoing Consent and Agreement No. 2 is
hereby accepted, as of the 15th day of November 1986.

THE CONNECTICUT BANK AND TRUST
COMPANY, NATIONAL ASSOCIATION, as
Agent,

by



Authorized Officer